

161.630 Benefit options -- Change in benefit option by retiree who became member before January 1, 2019 -- Beneficiary redesignation after retirement. (Effective until January 1, 2022)

- (1)
 - (a) An individual who became a member prior to January 1, 2019, upon retirement, shall receive a retirement allowance in the form of a life annuity, with refundable balance, as provided in KRS 161.620, unless an election is made before the effective date of retirement to receive actuarially equivalent benefits under options which the board of trustees approves.
 - (b) An individual who is participating in the hybrid cash balance plan as provided by KRS 161.235 may, before the effective date of retirement, elect to receive his or her accumulated account balance annuitized into a monthly payment under one (1) of the actuarial equivalent payment options approved by the board of trustees.
 - (c) No option shall provide for a benefit with an actuarial value at the age of retirement greater than that provided in KRS 161.235(7)(a) or 161.620, as applicable. This section does not apply to disability allowances as provided in KRS 161.661(1).
- (2) The retirement option chosen by a retiree at the time of service retirement shall remain in force unless the retiree became a member prior to January 1, 2019, and elects to make a change under the following conditions:
 - (a) A divorce, annulment, or marriage dissolution following retirement shall, at the election of the retiree, cancel any optional plan selected at retirement that provides indefinitely continuing benefits to a spousal beneficiary and return the retiree to a single lifetime benefit equivalent as determined by the board; or
 - (b) Following marriage or remarriage, or the death of the designated beneficiary, a retiree may elect a new optional plan of payment based on the actuarial equivalent of a single lifetime benefit at the time of the election, as determined by the board. The plan shall become effective the first of the month following receipt of an application on a form approved by the board.
- (3) Except as otherwise provided in this section, a beneficiary designation shall not be changed after the effective date of retirement except for retirees who elect the life annuity with refundable balance or the predetermined years certain and life thereafter option. A member may remove a beneficiary at any time, but shall not designate a substitute beneficiary. If a member elects to remove a beneficiary, the member's retirement allowance shall not change regardless of the retirement option selected by the member, even if the removed beneficiary predeceases the member.
- (4) A member who experiences a qualifying event under subsection (2) of this section and who elects a new optional plan of payment shall make that election within sixty (60) days of the qualifying event.

Effective: June 29, 2021

History: Amended 2021 Ky. Acts ch. 192, sec. 20, effective June 29, 2021. -- Amended 2018 Ky. Acts ch. 107, sec. 75, effective July 14, 2018. -- Amended 2010 Ky. Acts ch. 164, sec. 11, effective July 1, 2010. -- Amended 2008 Ky.

Acts ch. 78, sec. 19, effective July 1, 2008. -- Amended 2004 Ky. Acts ch. 121, sec. 20, effective July 13, 2004. -- Amended 1994 Ky. Acts ch. 369, sec. 20, effective July 1, 1994. -- Repealed and reenacted 1990 Ky. Acts ch. 476, Pt. V, sec. 532, effective July 13, 1990. -- Amended 1988 Ky. Acts ch. 363, sec. 16, effective July 1, 1988. -- Amended 1978 Ky. Acts ch. 152, sec. 15, effective March 28, 1978. -- Amended 1976 Ky. Acts ch. 351, sec. 19, effective July 1, 1976. -- Amended 1962 Ky. Acts ch. 64, sec. 15. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 4506b-48.

Legislative Research Commission Note (12/13/2018). On December 13, 2018, the Kentucky Supreme Court ruled that the passage of 2018 SB 151 (2018 Ky. Acts ch. 107), did not comply with the three-readings rule of Kentucky Constitution Section 46 and that the legislation is, therefore, constitutionally invalid and declared void. That ruling applies to changes made to this statute in that Act.